of the pipeline; technical specifications pertaining to the pipeline; and pricing of the gas. These and other issues will continue to be examined by the Steering Committee of the project.

The proposal under consideration pertains to supply of natural gas to India by pipeline from Turkmenistan *via* Afghanistan and Pakistan. There is no proposal before the Government to seek access through Afghanistan for an oil pipeline from Central Asian countries to India.

Increase in short term interest rate by RBI

*238. SHRI R. SHUNMUGASUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has raised the short term interest rate the repo rate and the reverse repo rate recently;

(b) if so, what prompted the increase; and

(c) what is the consequence or the effect of the above increase?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. With effect form 24th January, 2006, the Reserve Bank of India has increased the fixed reverse repo rate from 5.25% to 5.50% and fixed repo rate from 6.25% to 6.50%.

(b) For moderating inflationary expectations and for maintaining orderly financial markets while ensuring the continuation of the positive investment climate, RBI, as a part of its overall monetary policy initiatives, has revised the fixed repo and reverse repo rates.

(c) Proactive policy responses taken by RBI have headed off potential excess demand pressures and contributed to an improvement in macro-economic performance. As per the latest information, the inflation rate based on the whole sale price index stood at 4.34% on February 18, 2006 as compared with 4.89% a year before.

Higher Allocation for Tourism Industry

*239. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) whether it is a fact that Government have granted higher allocations to keep the tourism industry on the priority of State Governments;

(b) if so, the details of such allocations made to Andhra Pradesh during the current year;

(c) whether it is also a fact that Government had instructed all the States to initiate policies encouraging private sector to build new hotels;

(d) if so, the reaction of the State Governments in this regard; and

(e) the details of action taken thereon?

THE MINISTER OF TOURISM AND CULTURE (SHRIMATI AMBIKA SONI): (a) Yes, Sir. The budget provision for the year 2006-07 for implementation of various schemes is Rs. 830.00 crore as compared to Rs. 786.00 crore for the year 2005-06.

(b) No specific allocation has been made for any State for development of tourism. However, Department of Tourism extends financial assistance to States/UTs for implementation of tourism projects, which are prioritized in consultation with them, subject to *inter-se* priority and availability of funds. During the year 2005-06, Rs 25.06 crore has been sanctioned and Rs. 16.05 crore has been released in favour of Andhra Pradesh for implementation of various tourism projects.

(c) In the State Tourism Ministers Conference held in New Delhi during 4-5 March, 2005, a resolution was adopted by the States to work towards streamlining their land policies by rezoning and re-defining land use to facilitate development of adequate hotel rooms in metro cities and at tourist sites. The State Governments have also been advised to adopt single window approach to clear hotel and tourism projects on fast track mode and consider giving land on long lease and annual rental basis to promote budget hotel projects.

(d) The response of the State Governments so far is not satisfactory.

(e) Department of Tourism has taken up the issue of development of required hotel rooms with land owning agencies of identified States. Department has also issued guidelines for approval of Guest Houses, Paying Guest Accommodation, Time share Resorts and Service Apartments to overcome shortage of hotels.

Changes in Insurance Act

*240. SHRIMATI S.G. INDIRA:
SHRI LALIT SURI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to make major changes in Insurance Act;